

interchange of commodities of produce between the various institutions is now an established concern: one farm, for instance, specializes in growing oats and potatoes for all our requirements; another will produce fruit and will make all the jam required at the various places; another will grow wheat, that is gristed into flour for all schools, &c.

The following is a statement of the revenue and expenditure of the farm attached to one of the institutions—the Boys' Training-farm, Weraroa—for last year:—

Revenue.				Expenditure.			
				Supplies issued and consumed at the Farm.		£ s. d.	
				Cash Sales and Supplies to other Institutions.		Value of crops at 31st March, 1919 .. ..	
				£ s. d.	£ s. d.	1,149 7 10	
Butter .. ..	..	..	..	346 15 5	96 12 8	973 0 0	
Cheese .. ..	..	..	..	1,794 3 8	60 3 11	..	
Cream .. ..	..	..	..	5 7 7	5 10 10	..	
Milk .. ..	..	..	..	102 1 6	186 11 6	..	
Stock (cattle, horses, &c.) ..	..	..	..	306 4 1	52 19 0	..	
Hides .. ..	..	..	..	99 11 6	..	..	
Vegetables .. ..	..	..	..	201 1 5	306 0 8	..	
Poultry and eggs .. ..	..	..	..	118 2 10	30 18 10	..	
Pigs .. ..	..	..	..	305 1 9	12 19 7	..	
Sheep (mutton, wool, &c.) ..	..	..	..	766 9 0	197 0 5	..	
Orchard .. ..	..	..	..	1 17 10	34 2 6	..	
Sales of other farm produce ..	..	..	..	172 2 0	..	..	
Miscellaneous .. ..	..	..	..	20 10 8	0 10 6	..	
				4,239 9 3	983 10 5	..	
				5,222 19 8		..	
In addition the value of the crops on the 31st March, 1920, was—				£		..	
Cereals .. ..	..	..	..	767	..	..	
Hay .. ..	..	..	..	240	..	..	
Green feed .. ..	..	..	..	184	..	..	
Lucerne .. ..	..	..	..	60	..	..	
Grass seed .. ..	..	..	..	15	..	..	
Root crops .. ..	..	..	..	432	..	..	
Potatoes .. ..	..	..	..	172	..	..	
				1,870 0 0	..	..	
Total .. ..	..	..	..	£7,092 19 8	..	£7,092 19 8	

Notwithstanding the great difficulties encountered, the Department has every reason to be satisfied with the results of its operations. During the past four years goods to the value of £53,070 have been supplied to the various institutions throughout New Zealand, showing a saving of £20,220 on comparison with warehouse prices. In addition the goods in the store to-day, costing about £45,000, are valued, at a low estimate, at £10,080 more than was paid for them.

In the early days of the Central Store great difficulty was experienced in obtaining the services of a buyer who not only knew his own business but who was conversant with the needs of the various schools. This difficulty has been overcome, however, by training one of our staff for this work and by the appointment of a supervising dressmaker and buyer. In those early days (1915-16) little was done in the manufacture of garments, underclothing, girls' dresses, and children's wearing-apparel. These articles were for the most part made by the seamstresses at the various institutions (eleven in all), but on investigating the question thoroughly it was found that articles could be made in bulk in a factory much more cheaply and of a much better pattern than by the seamstresses at the schools. Orders were accordingly placed with a factory in Wellington, and as soon as a sufficient stock was available at the Central Store for issue to the schools the making at these places was abandoned. This change reduced the number of seamstresses to six, and these women are engaged for the most part in patching and mending, darning, &c., and occasionally, of course, dresses have to be slightly altered to fit odd-sized children. With the increase in the number of children to be provided with clothing, the making of garments has now assumed considerable proportions, and in the present state of the labour market it is difficult to get this work done at all. Every factory at the present time is overwhelmed with work, and the cost of making has increased in some instances 100 per cent.

I am satisfied that our system of supplies will not be complete until we have a factory of our own where we can utilize the labour of some of our older girls who are unsuitable for anything else. As a business proposition there is no question as to the soundness of it. Many firms with whom we do business have often expressed surprise that with our volume of business we should be satisfied to pay high prices for making up.

At each school and in each of the centres where we have a boarding-out organization it is necessary to maintain a subsidiary store, carrying a full range of clothing and footwear suitable for infants, young children, youths, girls, and adults. At the present time there are thirteen such stores, and in the near future it will be necessary to add to this number. Centres are about to be established at Whangarei, Hamilton, and Timaru, each necessitating a store with full ranges of all the different kinds of clothing.

Last year £15,481 was spent in the purchase of goods and £1,139 for making up garments for the Central Store, and goods to the value of £15,070 were supplied from the Central Store to the subsidiary stores.

The costing and pricing of all the goods and garments taken on charge in the Central Store is a work in itself, for not only does the Central Store supply for all the infants and young children under the Department's control, but for the young people who are wage-earners as well. In the latter case, however, each youth or girl who is earning is charged for all articles supplied. In the case of children the schools are debited with the actual cost of the garments supplied, but in the other cases a charge of not less than 10 per cent. is added. As far as possible the extra charge is regulated so that the